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The logo for Kitchen Culture, featuring the words "kitchen" and "culture" stacked vertically in a white, lowercase, sans-serif font against a black rectangular background.

## MEDIA RELEASE

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## Newly listed Kitchen Culture's net profit rose by 77.8% for HY2011

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**Singapore, 11 August 2011** – Newly Catalist-listed home-grown premium kitchen solutions provider Kitchen Culture Holdings Ltd. (“Kitchen Culture”) and together with its subsidiaries (the “Group”), announced that its net profit for the half year ended 30 June 2011 (“HY2011”) increased 77.8% to \$0.9 million as compared to the previous corresponding period (“HY2010”).

Commenting on its inaugural financial result as a newly listed company, Mr Lim Wee Li, Executive Chairman and CEO of Kitchen Culture remarked, ***“Following our successful listing, we are pleased to announce our 77.8% growth in net profit for HY2011. Even with higher operating expenses having an impact on the second half of FY2011, we remain positive about the outlook for the rest of the year from our secured orders. We are also looking at possible acquisition opportunities that will boost our presence in the market and discussions are underway.”***

<b>Financial Highlights (\$ 'million)</b>	<b>HY2011</b>	<b>HY2010</b>	<b>% Change</b>
Revenue	9.7	12.8	(24.5)
Gross Profit	5.1	4.5	13.5
<i>Gross Margin</i>	<i>52.2%</i>	<i>34.7%</i>	-
Profit Before Tax	1.0	0.7	49.5
Net Profit for the year	0.9	0.5	77.8
<i>Net Profit Margin</i>	<i>9.1%</i>	<i>3.9%</i>	-
Earnings Per Share (cents) <sup>(1)</sup>	1.1	0.8	37.5
	<b>30.6.2011</b>	<b>31.12.2010</b>	<b>% Change</b>
Net asset per ordinary shares (cents) <sup>(1)</sup>	9.7	8.6	12.8

Note:

(1) These are calculated based on pre-placement ordinary shares of 83,000,000.

Revenue decreased by 24.5% or \$3.1 million to \$9.7 million in HY2011 from \$12.8 million in HY2010. The decrease was mainly due to a decrease in revenue contribution from the Residential Projects business segment of \$3.7 million, partially offset by an increase in revenue of \$0.6 million from the Distribution and Retail business segment.

Overall, the Group reported a profit before tax increase of 49.5% or \$0.3 million to \$1.0 million in HY2011, from \$0.7 million in HY2010, in tandem with the higher gross profit. For HY2011, the Group's net profit was \$0.9 million, a 77.8% increase from \$0.5 million in HY2010. On a pre-placement share capital basis, the Group's earnings per share therefore rose 37.5% to 1.1 cents in HY2011 from 0.8 cents in HY2010. Net asset value per share based on pre-placement share capital rose 12.8% to 9.7 cents as at 30 June 2011 from 8.6 cents as at 31 December 2010.

### **Business Outlook**

The Group's successful listing on SGX-Catalist raised net proceeds of approximately \$3.7 million which will be used to fund acquisitions, joint ventures, and/or strategic alliances when opportunities arise, and for general working capital purposes. Kitchen Culture also intends to recommend and distribute a dividend of at least 20.0% of its net profit attributable to shareholders for the financial years ended 31 December 2011 and 31 December 2012 respectively as stated in its Offer Document dated 15 July 2011.

Commenting on the Group's business prospects, Mr Lim said, ***"Our new listed company status places us in a better position for future expansions when the opportunities arise. As we strive to grow, we will expand our business while keeping to a prudent and cost-effective strategy. As we start to penetrate overseas markets, we will look for parties who not only have the local knowledge and contacts, but who will also help create synergistic values for our existing business."***

The Board also highlighted certain factors that may significantly impact the Group in the next 12 months. These include the state of the Singapore and Malaysia economies, the state of the global economy particularly the fluctuations in exchange rates between the S\$ and other currencies like Swiss Franc, EUR and US\$, the increase in operating expenses inclusive of increased staff costs and one-off IPO-related expenses.

In view of the increase in operating expenses as mentioned above, the Group may not be able to achieve the same net profit growth rate compared to previous years. Going forward, barring unforeseen circumstances, the Board believes that the outlook for the Group's business will remain positive.

**Note: This media release should be read in conjunction with the SGXNET announcement dated 11 August 2011.**

## End ##

**About Kitchen Culture Holdings Ltd. (Bloomberg KCH:SP)**

Kitchen Culture is a provider of premium kitchen solutions that cater to the high-end markets predominantly in Singapore and Malaysia.

The Group specialises in the sale and distribution of a wide range of premium imported kitchen systems, kitchen appliances, wardrobe systems, household furniture and accessories from Europe and USA.

The Group has two "Kitchen Culture" retail showrooms at 2 Leng Kee Road in Singapore and 45E Bangunan Bangsaria Jalan Maarof Taman Bangsar in Kuala Lumpur, Malaysia, and one "Haus" retail showroom in Palais Renaissance at 390 Orchard Road, Singapore.

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*This announcement has been prepared by the Company and its contents have been reviewed by the Company's Sponsor, Collins Stewart Pte. Limited for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited (the "SGX-ST"). Collins Stewart Pte. Limited has not independently verified the contents of this announcement. This announcement has not been examined or approved by the SGX-ST and the SGX-ST assumes no responsibility for the contents of this announcement, including the correctness of any of the statements or opinions made, or reports contained in this announcement.*

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**Issued for and on behalf of Kitchen Culture Holdings Ltd.  
by Cogent Communications Pte Ltd.**

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